

Stephen S. Walters, OSB No. 801200

swalters@allenmatkins.com

David Zaro, CA Bar No. 124334

dzaro@allenmatkins.com

Francis N. Scollan, CA Bar No. 186262

ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP

12th Floor

Three Embarcadero Center

San Francisco, California 94111

Telephone: 415-837-1515

Facsimile: 415-837-1516

John Spencer Stewart, OSB No. 711648

jstewart@lawssg.com

STEWART SOKOL & GRAY LLC

2300 SW First Avenue, Suite 200

Portland, Oregon 97201

Telephone: 503-221-0699

Facsimile: 503-419-0281

Attorneys for Plaintiff

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

EUGENE DIVISION

MICHAEL GRASSMUECK, Receiver,

Case No. 6:10-cv-06076-HO

Plaintiff,

v.

**MEMORANDUM IN SUPPORT OF
MOTION FOR ENTRY OF
JUDGMENT DISMISSING
CASE WITHOUT AWARD OF FEES
OR COSTS TO ANY PARTY**

SANDI BALADA; BRYON CROSBY; HASMIG
DERDERIAN; RICH GIGLIO; TOBBE HENNBY;
KATHY HESHELOW; ERIC HILDEBRAND;
ERIC MEURER; LARRY MILLER; ALAN
POLLACK; RANDALL POPE; ALEX RHOTEN;
RON ROSS; TAMARA SANNER; R. TOM
SMITH; DIRK STANGIER; JIM STOCK; DARYL
TEMPLETON; TRINA TRAVESS; RUSTY
TWEED; MELONIE WATERS; WILLIAM
WHITE; RICHARD WIELDE; ROBERT ZINK;
CAPWEST SECURITIES, INC.; DIRECT
CAPITAL SECURITIES, INC.; AND K-ONE
INVESTMENT COMPANY, INC.,

Defendants.

Plaintiff, Michael Grassmuck as Receiver, submits the following memorandum in support of his *Motion for Entry of Judgment Dismissing Case Without Award of Fees or Costs to Any Party* (the “Motion”).

The Receiver asserted claims against certain brokers and dealers relating to the Sunwest Receivership, including brokers and dealers named in this action. The claims asserted include the claims assigned by the Court's *Order Regarding Assignment of all Sunwest Investors' Rights and Claims Against Certain Third Parties to Receiver* (Case Number 6:09-cv-06056-HO, Docket Number 1985) entered April 6, 2011, as amended and/or augmented by Docket Number 2179 (hereafter the “Assignment Order”). On or about August 17, 2011, the Receiver settled many of the claims asserted against certain brokers and dealers in this case, which settlement the Court approved on or about September 20, 2011 (Docket Number 56 in this case). Pursuant to the terms of that settlement, the Receiver seeks a judgment that dismisses all settling defendants with prejudice, and without the award of costs or fees to any party. At this time, the Receiver also requests that the Court enter a judgment that dismisses the remaining, non-settling defendants without prejudice, and without the award of attorneys' fees or costs to any party. None of the non-settling defendants filed an answer or other responsive pleading, and there are no counterclaims pending.

The Receiver requests that the Court enter the proposed form of Judgment submitted herewith.
DATED this 5th day of June, 2012.

ALLEN MATKINS LECK GAMBLE MALLORY &
NATSIS LLP

By /s/ Francis N. Scollan
Francis N. Scollan
12th Floor
Three Embarcadero Center
San Francisco, California 94111
Telephone: 415-837-1515
Facsimile: 415-837-1516
Attorneys for Receiver Michael Grassmuck